

state colleges for going on three years. When we get to the University, the system is somewhat different although they will report back on their expenditures in that same format so there will be consistency between the two systems of higher education. When we get to the University of Nebraska, the appropriation there starts on page 16. We did do one thing a little bit different this year. Section 9 is the appropriation to the systems office. In previous years, all of the administrative, higher administrative costs of personnel at each of the systems, at each of the campus levels was included in the appropriation to the systems office. This year's appropriations format, however, contains only the administrative cost for the systems office itself. In subsection 1 of section 9, subsection 2 of section 9 is the total computer operation for all University systems and that is kept in a separate program. It is probable that within another year or so that those may be broken down on a campus level and there is work being done to move in that direction, but at this point, it is appropriate to continue the process we have used in the past. Subsection 3 here deals with it is titled as discretionary fund for the Board of Regents. I should have also pointed out there is a like fund for the Board of Trustees of the State Colleges in the amount of \$260,000. This concept was begun last year giving the Board of Trustees some flexibility to provide additional funds for any one of the four state colleges that may need additional General Fund money for a particular purpose and flexibility between the systems. In the case of the discretionary fund for the Board of Regents, we use somewhat of a different approach. The \$650,000 that is indicated there, in fact, only really has \$250,000 of what I would deem discretionary. The other \$400,000 was placed in this fund by actually reducing \$100,000 from each of the four campuses on the University and placing that dollar amount into the Regents discretionary fund but to provide some flexibility where it may be appropriate. Subsection 4 is the total cash fund appropriation for the University. If you will look in the Governor's budget, he had just a one line appropriation of General Fund money. Further research, we find that it is constitutionally required that authorization for the expenditure of funds must be included within the appropriation bill if warrants are to be written and the placing the total amount of cash funds at the Regent level as it appears here meets that constitutional requirement. The Regents will then have the responsibility to expend those cash, federal and revolving funds within the four campuses and this essentially has arrived out of the court case that we are all familiar with approximately a year ago. There is an indication of the general fund appropriation, then continued on page 17, to each of the campuses. I should point out that that figure was arrived at, while each of the general fund appropriation to each of the campuses is approximately the same proportion that each of those campuses had for last year's appropriation, that was not specifically the way it was arrived at but it borders on that very closely for all practical purposes. Also included in the bill on page 18 is instructions limiting or requiring the expenditure at a certain level under this program classification structure for instructional purpose in insuring that the undergraduate instruction, particularly, but all instructional programs at each of